



4004

**ANNUAL REPORT**

OF

Name: BAYLAND TELEPHONE, INC.

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Principal Office: 2711 E. FRONTAGE ROAD  
P.O. BOX 200  
ABRAMS, WI 54101-0200

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For the Year Ended: DECEMBER 31, 2001

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TELECOMMUNICATIONS UTILITY  
TO  
PUBLIC SERVICE COMMISSION OF WISCONSIN

P.O. Box 7854  
Madison, WI 53707-7854  
(608) 267-9504

*This form is required under Wis. Stat. § 196.07. Failure to file the form by the statutory filing date can result in the imposition of a penalty under Wis. Stat. § 196.66. The penalty which can be imposed by this section of the statutes is a forfeiture of not less than \$25 nor more than \$5,000 for each violation. Each day subsequent to the filing date constitutes a separate and distinct violation. The filed form is available to the public and personally identifiable information may be used for purposes other than those related to public utility regulation.*

## GENERAL RULES FOR REPORTING

1. The annual report due date is April 1 of the following year. (Example: The 2001 report is due April 1, 2002.) If that date falls on a weekend or holiday, the annual report is due the following business day.
2. **Electronic filing via e-mail is required.** Go to the Public Service Commission of Wisconsin's web page at <http://psc.wi.gov>, click on Telecommunications and click on Annual Report for Incumbent Local Exchange Carriers (LECs).
3. LEC entities with no revenues for the report year are required to file a LEC annual report.
4. Unless otherwise indicated, the information requested in this report should be taken from the accounts and other records of the utility in conformity with the Uniform System of Accounts prescribed by the Public Service Commission in docket 05-US-102. The definitions and instructions contained therein should also apply to the report wherever applicable. A query or response concerning information contained in this report regarding any practice or transaction should not be construed as indicating conformity to accounting or other pertinent regulations.
5. Please follow all instructions and answer each question fully and accurately. Provide additional information as necessary to avoid misunderstandings or misleading responses. Abbreviations listed on page 6 may be used. However, please show the exact name of the respondent in full on the Identification and Ownership page.
6. Wherever information is requested in a "note," please show that information in the space provided, or make reference to the adjacent page or insert where the note may be found. Please also identify each note. Footnote capability is included in the annual report software program. Please use it where necessary to fully explain particulars in the annual report.
7. Numeric items are limited to digits (0-9). A minus sign "-" should be entered in the software program to indicate negative values. The program will convert the minus sign to parentheses if a hard copy of the annual report is printed. Negative values may not be allowed for certain entries in the annual report due to restrictions contained in the software program.
8. Please report all dollar amounts to the nearest whole dollar.
9. This annual report should be complete in all respects. Unless otherwise authorized, avoid references to returns of former years or to other reports.
10. Wherever schedules call for data from the previous year and such data were reported in the previous annual report, the previous year's data should be reported without modification. If modified, an appropriate footnote indicator and explanation should be included in the current year's annual report.
11. Where part or all of the report is prepared by other than utility personnel, a disclosure is required in the "Individual or firm, if other than utility employee, preparing this report" portion of the Identification and Ownership schedule, which describes the nature and extent of work performed.
12. The LEC annual report program incorporates provisional confidentiality capability for selected items, based on the Commission's confidentiality determination dated February 5, 2002.
13. It is not necessary to sign the signature page.
14. **Edit Check, Confidential Listing, Exported Annual Report, and Export Status Files;  
Filing the Completed Report:**

## GENERAL RULES FOR REPORTING

Program edit checks, which are located under the Admin dropdown menu, should be run at the completion of data entry. Each edit problem lists pertinent schedule(s) as well as the nature of the problem (such as "does not equal"). Edit items should be reviewed and corrected; unresolved problems should be footnoted in the report, if necessary. This screen automatically saves the edit checks to an .edt file that may be viewed and edited (for purposes of adding necessary notations) using a word processing package such as WordPad.

The confidential listing, which is located under the Admin dropdown menu, should also be run at the completion of data entry. This will create a .clf file.

Select the annual report to export from the Main-Report Selection window. Click Admin, Export Data to PSC to start the export process. This will create an .mdb file, which will subsequently be encrypted to a file with an .sen extension. An export status file is also created (with a .txt extension). The export status report file may also be viewed in a word processing package such as WordPad. If you encounter any export errors, please contact the Commission for assistance.

The .edt, .clf, .sen, and .txt files will be zipped to a file with a .zip extension. An e-mail message will be created, addressed to pscrcs@psc.state.wi.us. The .zip file is automatically attached to the e-mail message. After the e-mail is created, it will automatically be sent to the Commission.

Once received and processed by the Commission, you will receive a response indicating that your annual report has been received and is being processed. You will be notified if there are any problems with the annual report filing.

### 15. Name Changes:

If a name change is identified in the report, documents from the State of Wisconsin Department of Financial Institutions (DFI) also must be submitted to the Commission:

A domestic corporation should send a copy of the stamped page from its Articles of Amendment as filed with DFI. A foreign corporation should send a copy of their Amended Certificate of Authority as issued by DFI.

*These documents can be obtained by:*

1. Calling DFI at (608) 261-7577;
2. Contacting DFI on the web at [www.wdfl.org](http://www.wdfl.org); or
3. By writing to DFI at P.O. Box 7846, Madison, WI 53707-7846.

**While the electronic annual report filing may detail the name change (i.e., date of the change and the affected entities with their respective four-digit Commission utility identification numbers), a name change is not effective in the Commission's records until a separate notification letter is sent to the Commission including documentation to confirm registration of that change with the State of Wisconsin Department of Financial Institutions.**

### 16. Changes to the Annual Report Subsequent to Filing:

If making revisions to the report subsequent to filing with the Commission, resubmit the report via e-mail following the procedures set forth above in item number 14. New edit check, confidential listing, exported annual report, and export status files should be created as a result of the revisions.

**SIGNATURE PAGE**

I MR. ROGER HERMSEN of  
(Person responsible for accounts)

BAYLAND TELEPHONE, INC. , certify that I  
(Utility Name)

am the person responsible for accounts; that I have examined the following report and, to the best of my knowledge, information and belief, it is a correct statement of the business and affairs of said utility for the period covered by the report in respect to each and every matter set forth therein.

MR. ROGER HERMSEN 03/29/2002  
(Person responsible for accounts) (Date)

PRESIDENT  
(Title)

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**ANNUAL TELECOMMUNICATIONS REPORT GLOSSARY OF TERMS**

<b>Access Line</b>	Central office line equipment, or equivalent, and all outside plant facilities, or equivalent, required to connect the serving central office with the customer premises via physical connection, frequency transmission, and/or time slot transmission. From an engineering perspective, a channel connection is at a DS0 level. A DS0 level is a 4 KHz voice channel or a 64 kilobits per second digital channel.
<b>Analog Signal</b>	A signal that varies in a continuous manner such as voice or music. An analog signal must be contrasted with a digital signal which can assume only discrete values.
<b>Cellular System</b>	A high capacity land mobile radio system in which an assigned frequency spectrum is divided into discrete channels that are assigned to a cellular geographic serving area.
<b>Central Office</b>	A switching unit in a telephone system providing service to the general public, having the necessary equipment and operating arrangements for terminating and interconnecting lines and trunks.
<b>Centrex</b>	A service for customers with many stations that permits station-to-station dialing, one listed directory number for the customer, direct inward dialing to a particular station and station identification on outgoing calls. The switching functions are performed in a central office (stand alone, host or remote).
<b>Channel</b>	An electrical communications path between two or more points. A single pair of wires may provide more than one channel. A channel may also be provided by microwave.
<b>Customer</b>	A person who uses a telephone as a subscriber.
<b>Digital Signal</b>	A signal that has a limited number of discrete states. This may be contrasted with an analog signal that varies in a continuous manner and may have an infinite number of states.
<b>Equal Access</b>	The ability of the subscriber to use any long distance service by dialing the same number of digits.
<b>Exchange</b>	A defined area served by one or more central offices regardless of technical serving arrangements within which the company furnishes service at rates and rules prescribed for that area in the company's filed tariffs. The area is not necessarily marked by political boundaries or the location of host or remote switching units.
<b>Extended Area Service (EAS)</b>	The ability of a customer to call customers in other exchanges at no additional charge or at an additional charge per tariff.
<b>Extended Community Calling (ECC)</b>	The ability of a customer to call customers in other exchanges at rates usually above EAS rates but below toll rates for comparable distances. Rates generally include a duration element.
<b>Feature Group A</b>	Line-side originating and terminating LATA access for which an originating subscriber dials an assigned telephone number that connects to a specific interexchange carrier (IC). The IC returns a tone to signal the caller to input additional generated digits of the called number.

**ANNUAL TELECOMMUNICATIONS REPORT GLOSSARY OF TERMS**

<b>Feature Group B</b>	Trunk-side originating and terminating LATA access for which an originating subscriber dials a 950-WXXX number (where W=0, 1 and XXX is the carrier access code (CAC)), which is translated to a specific XXX carrier trunk group. Optional rotary dial service and ANI may be available.
<b>Feature Group C</b>	Trunk-side LATA access for AT&T-Communications generally on a direct basis between each end office (EO) and an AT&T-C switching system.
<b>Feature Group D</b>	Also referred to as equal access. It is trunk-side LATA access affording call supervision of an interexchange carrier, a uniform access code (10XXXXX), optional calling party identification, recording of access-charge billing details and presubscription to a customer specified interexchange carrier.
<b>FX-IN</b>	A nonswitched service where the customer of the company is connected to and receives switching service through central office equipment located in another exchange area.
<b>FX-OUT</b>	A switched service where facilities are provided from the central office out to the exchange boundary where it meets the line from a foreign exchange subscriber.
<b>Host Switching System</b>	A switching system that provides centralized control over most of the switching functions of one or more remote switching units. The host switching system usually provides trunk access to the operating company intraLATA networks.
<b>Local Access Transport Area (LATA)</b>	A geographic area within which an operating company may offer its telecommunications services.
<b>Mobile Telephone</b>	A service which provides radio telephone communication from a mobile vehicle to another vehicle or to a regular telephone.
<b>Paging</b>	A service which provides one-way signal or voice communication over a radio channel to a miniature receiver carried by the customer.
<b>Pair</b>	Two wires of a single circuit.
<b>Pay Station</b>	A telephone which normally requires all users to deposit one or more coins or use a credit card to complete a call.
<b>Private Line Service</b>	Channel or circuit rented for private use and not intended to be connected to the general distribution system.
<b>Private Branch Exchange (PBX)</b>	A manually, or operator controlled switching system, usually on the customer's premises, which serves that customer's telephones over a common group of lines from the central office.
<b>Radio Common Carrier (RCC)</b>	A company which furnishes public telecommunications service using one or more radio channels.
<b>Remote Switching Unit (RSU)</b>	An electronic switching system that is remote from its host or control office. All of the central control equipment for the RSU is located in the host switching system.

**ANNUAL TELECOMMUNICATIONS REPORT GLOSSARY OF TERMS**

<b>Route Miles</b>	<p>Total number of route miles (to the nearest mile) of operating plant facilities including drop wire in the exchange. One route mile may consist of:</p> <ol style="list-style-type: none"><li>1. One mile of roadway with any combination of outside plant facilities on any number of rights-of-way.</li><li>2. One mile of a cross country route with any combination of outside plant facilities.</li><li>3. One mile of point-to-point microwave or radio link.</li><li>4. One mile of plant on either side of a limited access highway or natural barrier, such as a navigable waterway.</li><li>5. One mile of joint use line where the utility either owns the facility or leases space.</li></ol>
<b>Stand Alone Switch</b>	<p>A central office switch which has no remote switching units (RSUs) subtending it.</p>
<b>Trunk</b>	<p>A communications path connecting two switching systems in the establishment of an end-to-end connection.</p>
<b>Wide Area Telephone Service (WATS)</b>	<p>Customer leased access line or lines connected to the nationwide network over which an unlimited number of calls can be made for a fixed monthly charge.</p>
<b>Wire Center</b>	<p>The location of one or more local switching systems. A point at which customers' loops converge.</p>



**ABBREVIATIONS USED IN ANNUAL REPORTS**

<b>Acct</b>	.....	Account
<b>Accum</b>	.....	Accumulated
<b>Acq</b>	.....	Acquisition
<b>Admin</b>	.....	Administrative
<b>Alloc</b>	.....	Allocation
<b>Amort</b>	.....	Amortization
<b>CO</b>	.....	Central Office
<b>Depr</b>	.....	Depreciation
<b>Equip</b>	.....	Equipment
<b>Exp</b>	.....	Expenses
<b>EOY</b>	.....	End of Year
<b>FOY</b>	.....	First of Year
<b>Info</b>	.....	Information
<b>ITC</b>	.....	Investment Tax Credit
<b>Misc</b>	.....	Miscellaneous
<b>Nonoper</b>	.....	Nonoperating
<b>Nonreg</b>	.....	Nonregulated
<b>Oper</b>	.....	Operating
<b>Opns</b>	.....	Operations
<b>Orig</b>	.....	Originating
<b>Prop</b>	.....	Property
<b>Receiv</b>	.....	Receivable
<b>Reg</b>	.....	Regulated
<b>Rev</b>	.....	Revenues
<b>Svcs</b>	.....	Services
<b>Telecom</b>	.....	Telecommunications
<b>Term</b>	.....	Terminating
<b>TPIS</b>	.....	Telecommunications Plant in Service
<b>TPUC</b>	.....	Telecommunications Plant Under Construction
<b>Uncoll</b>	.....	Uncollectible

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**IDENTIFICATION AND OWNERSHIP**

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**Exact Utility Name:** BAYLAND TELEPHONE, INC.  
**Utility Location:** 2711 E. FRONTAGE ROAD  
P.O. BOX 200  
ABRAMS, WI 54101-0200

**Utility Web Site Address:** www.bayland.net

**When was utility organized?:** 01/01/1907

**Report any change in name and the effective date:**

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**Officer in charge of correspondence concerning this report**

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**Name:** MR ROGER L. HERMSEN  
**Title:** PRESIDENT AND GENERAL MANAGER

**Office Address:** 2711 E. FRONTAGE ROAD  
ABRAMS, WI 54101

**Fax Number:** (920) 826 - 5911  
**Telephone Number:** (920) 826 - 5215  
**Email Address:** rlherm@bayland.net

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**Individual or firm, if other than utility employee, preparing this report**

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**Name:** MR. DENNIS E. HILDEBRANDT  
**Title:** CERTIFIED PUBLIC ACCOUNTANT  
**Firm:** SIEPERT & CO. LLP  
**Office Address:** 1920 WEST HART ROAD  
BELOIT, WI 53511

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**Fax Number:** (608) 364 - 8727  
**Telephone Number:** (608) 365 - 2266  
**Email Address:** dhildebrandt@charter.net

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**Person responsible for financial information contained in report**

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**Name:** MR. ROGER L. HERMSEN  
**Title:** PRESIDENT AND GENERAL MANAGER

**Office Address:** 2711 E. FRONTAGE ROAD  
ABRAMS, WI 54101

**Fax Number:** (920) 826 - 5911  
**Telephone Number:** (920) 826 - 5215  
**Email Address:** rlherm@bayland.net

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**Person responsible for statistical information contained in report**

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**Name:** MR ROGER L. HERMSEN  
**Title:** PRESIDENT AND GENERAL MANAGER

**Office Address:** 2711 E. FRONTAGE ROAD  
P.O. BOX 200  
ABRAMS, WI 54101

**Fax Number:** (920) 826 - 5911  
**Telephone Number:** (920) 826 - 5215  
**Email Address:** rlherm@bayland.net

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**IDENTIFICATION AND OWNERSHIP**

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List names, addresses, and number of shares held by persons owning 5 percent or more of outstanding voting securities. If any stock is held by a nominee, give known particulars as to the beneficial owner (See Wis. Stat. § 196.795(1)(c), for definition of beneficial owner).

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**Name:** CHRISTINE C. FRENCH  
**Address:** 3517 BARKWOOD LANE  
MANITOWOC, WI 54220

**Number of Shares Held:** 684  
**Beneficial Owner:** NONE

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**Name:** DONALD & RUTH LE BRECK  
**Address:** 1122 BIEMERET STREET  
GREEN BAY, WI 54304-3314

**Number of Shares Held:** 470  
**Beneficial Owner:** NONE

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**Name:** HELEN L. HERMSEN  
**Address:** 1027 BIEMERET STREET  
GREEN BAY, WI 54304-3473

**Number of Shares Held:** 469  
**Beneficial Owner:** NONE

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**Name:** J. ROGER HERSMEN  
**Address:** 921C E. WINDFIELD PLACE  
APPLETON, WI 54911

**Number of Shares Held:** 100  
**Beneficial Owner:** NONE

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**Name:** JEAN J. HERMSEN  
**Address:** 2832B MADISON STREET  
WAUKESHA, WI 53188-4507

**Number of Shares Held:** 410  
**Beneficial Owner:** NONE

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**Name:** PATRICK & MARY ANDERSON  
**Address:** 3502 E. BOTTSFORD AVE.  
CUDAHY, WI 53110-1134

**Number of Shares Held:** 452  
**Beneficial Owner:** NONE

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**IDENTIFICATION AND OWNERSHIP**

---

**List names, addresses, and number of shares held by persons owning 5 percent or more of outstanding voting securities. If any stock is held by a nominee, give known particulars as to the beneficial owner (See Wis. Stat. § 196.795(1)(c), for definition of beneficial owner).**

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**Name:** PAUL G. HERMSEN  
**Address:** 622 SARATOGA DRIVE  
GREEN BAY, WI 54303-4438

**Number of Shares Held:** 684  
**Beneficial Owner:** NONE

---

**Name:** ROGER L. HERMSEN  
**Address:** 3025 BIG TIMBER CIRCLE  
GREEN BAY, WI 54313

**Number of Shares Held:** 685  
**Beneficial Owner:** NONE

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**List companies owned, controlled, or operated and form and extent of such ownership, control or operation.**

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**Company Name:** BAYLAND COMMUNICATIONS, INC.  
**Form of Interest:** EQUITY  
**Extent Of Interest:** 100% OWNERSHIP

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**Company Name:** BAYNET, INC.  
**Form of Interest:** EQUITY  
**Extent Of Interest:** 100% OWNERSHIP

**OFFICERS AND DIRECTORS****Name, Title/Occupation  
and Business Address**

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<b>Name:</b> MR. J. ROGER HERMSEN <b>Title/Occupation:</b> VICE PRESIDENT <b>Business Address (1):</b> 2711 E. FRONTAGE ROAD <b>Business Address (2):</b> <b>Business Address (3):</b> <b>City State, Zip:</b> ABRAMS, WI 54101	<b>1</b>
<hr/>	
<b>Name:</b> MR. PAUL HERMSEN <b>Title/Occupation:</b> TREASURER <b>Business Address (1):</b> 2711 E. FRONTAGE ROAD <b>Business Address (2):</b> <b>Business Address (3):</b> <b>City State, Zip:</b> ABRAMS, WI 54101	<b>2</b>
<hr/>	
<b>Name:</b> MR. ROGER L. HERMSEN <b>Title/Occupation:</b> PRESIDENT <b>Business Address (1):</b> 2711 E. FRONTAGE ROAD <b>Business Address (2):</b> <b>Business Address (3):</b> <b>City State, Zip:</b> ABRAMS, WI 54101	<b>3</b>
<hr/>	
<b>Name:</b> MS. RUTH LEBROCK <b>Title/Occupation:</b> SECRETARY <b>Business Address (1):</b> 2711 E. FRONTAGE ROAD <b>Business Address (2):</b> <b>Business Address (3):</b> <b>City State, Zip:</b> ABRAMS, WI 54101	<b>4</b>

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**INCOME STATEMENT - TOTAL COMPANY**

<b>Particulars (a)</b>	<b>This Year (b)</b>	<b>Last Year (c)</b>	
Operating Revenues (5000-5300)	1,757,095	1,625,690	<b>1</b>
<b>Operating Expenses</b>			
Plant Specific Operations Expense (6110-6410)	364,612	278,621	<b>2</b>
Plant Nonspecific Operations Expense	596,852	513,720	<b>3</b>
Customer Operations Expense (6610-6620)	351,066	317,608	<b>4</b>
Corporate Operations Expense (6710-6790)	212,070	219,116	<b>5</b>
Other Operating Income and Expense (7100)	0	0	<b>6</b>
Operating Taxes (7200)	92,738	82,044	<b>7</b>
<b>Total Operating Expenses</b>	<b>1,617,338</b>	<b>1,411,109</b>	<b>8</b>
<b>Net Operating Income</b>	<b>139,757</b>	<b>214,581</b>	<b>9</b>
<b>Other Income</b>			
Nonoperating Income and Expense (7300)	689,819	568,129	<b>10</b>
Nonoperating Taxes (7400)	239,196	109,023	<b>11</b>
Interest and Related Items (7500)	180,355	163,043	<b>12</b>
Extraordinary Items (7600)	0	0	<b>13</b>
Nonregulated Net Income (7990)	13,144	30,622	<b>14</b>
<b>Total Nonoperating Income</b>	<b>283,412</b>	<b>326,685</b>	<b>15</b>
<b>Net Income</b>	<b>423,169</b>	<b>541,266</b>	<b>16</b>

## NOTES TO INCOME STATEMENT OR BALANCE SHEET

In the space provided below, disclose all material information not included elsewhere in this report that is necessary to make the financial statements clear and understandable. Included should be:

- 
1. A summary of significant accounting policies. (The summaries should disclose, but not be limited to, the utility's accounting policies with regard to pension cost, unbilled revenues, depreciation, and income taxes.)

**1. SIGNIFICANT ACCOUNTING POLICIES:**

**A. TELEPHONE PLANT IS RECORDED AT ORIGINAL COST. DEPRECIATION IS COMPUTED ON A STRAIGHT-LINE BASIS BY APPLYING A RATE TO A GROUP OF ASSETS FOR BOOK PURPOSES. AN ACCELERATED METHOD TO COMPUTE DEPRECIATION IS USED FOR TAX PURPOSES. DEFERRED INCOME TAXES HAVE BEEN RECORDED FOR ALL TEMPORARY TIMING DIFFERENCES.**

**B. THE COMPANY HAS ELECTED TO DEFER INCOME TAX SAVINGS EARNED BY AN INVESTMENT TAX CREDIT AND IS AMORTIZING THESE SAVINGS OVER THE SERVICE LIFE OF THE ASSETS ON WHICH THE ITC WAS GENERATED.**

**C. THE COMPANY HAS DEFINED CONTRIBUTION PENSION PLAN WHICH IS ADMINISTERED BY A TRUSTEE AND COVERS ALL ELIGIBLE EMPLOYEES. PENSION PLAN EXPENSE FOR 2001 AMOUNTS TO \$57,591.**

**D. IN GENERAL, REVENUES ARE RECOGNIZED WHEN EARNED REGARDLESS OF WHEN ACTUALLY RECEIVED.**

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2. A summary of significant contingent assets and liabilities existing at year end, including a brief explanation of any action initiated by the Internal Revenue Service, Wisconsin Department of Revenue, or the utility involving a possible assessment or refund of taxes.

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3. The notes should include an explicit and precise explanation of any retained earnings restrictions and should state the amount of retained earnings affected by such restrictions.

**3. RETAINED EARNINGS RESTRICTIONS:**

**UNDER THE MOST RESTRICTIVE PROVISIONS OF THE COMPANY'S RURAL UTILITIES SERVICE (RUS) LOAN AGREEMENT, APPROXIMATELY \$1,626,230 OF RETAINED EARNINGS IS AVAILABLE FOR DIVIDENDS.**

**BALANCE SHEET - ASSETS (CLASS B USE ACCOUNTS DESIGNATED BY \*)**

Particulars (a)	Balance--EOY (b)	Balance--FOY (c)	
<b>CURRENT ASSETS</b>			
<b>CASH AND EQUIVALENTS</b>			
Cash and Equivalents (1120)*	279,362	238,472	1
Cash (1130)			2
Special Cash Deposits (1140)			3
Working Cash Advances (1150)			4
Temporary Investments (1160)			5
<b>TOTAL CASH AND EQUIVALENTS</b>	<b>279,362</b>	<b>238,472</b>	
<b>RECEIVABLES AND ALLOWANCES FOR DOUBTFUL ACCOUNTS</b>			
Telecommunications Accounts Receivable (1180)*	227,485	80,451	6
Accounts Receivable Allowance-Telecom (1181)*			7
<b>Net: Telecommunications Accounts Receivable</b>	<b>227,485</b>	<b>80,451</b>	
Other Accounts Receivable (1190)*	613,276	425,932	8
Accounts Receivable Allowance--Other (1191)*			9
<b>Net: Other Accounts Receivable</b>	<b>613,276</b>	<b>425,932</b>	
Notes Receivable (1200)*	282,762	346,832	10
Notes Receivable Allowance (1201)*			11
<b>Net: Notes Receivable</b>	<b>282,762</b>	<b>346,832</b>	
Interest and Dividends Receivable (1210)*	3,386	35,522	12
<b>TOTAL REC AND ALLOW FOR DOUBTFUL ACCOUNTS</b>	<b>1,126,909</b>	<b>888,737</b>	
<b>SUPPLIES</b>			
Inventories (1220)*	17,673	22,592	13
<b>TOTAL SUPPLIES</b>	<b>17,673</b>	<b>22,592</b>	
<b>PREPAYMENTS</b>			
Total Prepayments (1280)*	103,448	39,544	14
Prepaid Rents (1290)			15
Prepaid Taxes (1300)			16
Prepaid Insurance (1310)			17
Prepaid Directory Expenses (1320)			18
Other Prepayments (1330)			19
<b>TOTAL PREPAYMENTS</b>	<b>103,448</b>	<b>39,544</b>	
<b>OTHER CURRENT ASSETS</b>			
Other Current Assets (1350)*			20
<b>TOTAL OTHER CURRENT ASSETS</b>	<b>0</b>	<b>0</b>	
<b>TOTAL CURRENT ASSETS</b>	<b>1,527,392</b>	<b>1,189,345</b>	
<b>NONCURRENT ASSETS</b>			
<b>INVESTMENTS</b>			
Investment in Affiliated Companies (1401)*	(62,467)	(197,272)	21
RTB Class B Stock (1402)*	5,300	5,300	22
Other Investments in Nonaffiliated Companies (1402)*			23
Nonregulated Investments (1406)*	73,597	59,518	24
Unamortized Debt Issuance Expense (1407)*	422	469	25
Sinking Funds (1408)*			26



**BALANCE SHEET - ASSETS (CLASS B USE ACCOUNTS DESIGNATED BY \*)**

Particulars (a)	Balance--EOY (b)	Balance--FOY (c)	
<b>NONCURRENT ASSETS</b>			
<b>INVESTMENTS</b>			
Other Noncurrent Assets (1410)*	2,173,593	1,821,395	27
<b>TOTAL INVESTMENTS</b>	<b>2,190,445</b>	<b>1,689,410</b>	
<b>DEFERRED CHARGES</b>			
Deferred Tax Regulatory Asset (1437)*	0	0	28
Deferred Maintenance and Retirements (1438)*			29
Deferred Charges (1439)*	28,145	29,499	30
<b>TOTAL DEFERRED CHARGES</b>	<b>28,145</b>	<b>29,499</b>	
<b>TOTAL NONCURRENT ASSETS</b>	<b>2,218,590</b>	<b>1,718,909</b>	
<b>PLANT</b>			
<b>TELECOMMUNICATIONS PLANT IN SERVICE</b>			
Telecommunications Plant in Service (2001)*	6,833,730	6,828,041	31
Less: Accumulated Depreciation (3100)*	3,703,848	3,600,962	32
Less: Accumulated Amortization--Capitalized Leases (3410)*			33
Less: Accumulated Amortization--Leasehold Improvements (3420)*			34
Less: Accumulated Amortization--Intangible (3500)*			35
<b>NET TELECOMMUNICATIONS PLANT IN SERVICE</b>	<b>3,129,882</b>	<b>3,227,079</b>	
<b>PROPERTY HELD FOR FUTURE USE</b>			
Prop. Held for Future Telecommun. Use (2002)*			36
Less: Accumulated Depreciation--Held for Future Telecommunications Use (3200)*			37
<b>NET PROPERTY HELD FOR FUTURE USE</b>	<b>0</b>	<b>0</b>	
<b>NONOPERATING PLANT</b>			
Nonoperating Plant (2006)*			38
Less: Accumulated Depreciation--Nonoperating (3300)*			39
<b>NET NONOPERATING PLANT</b>	<b>0</b>	<b>0</b>	
<b>TPUC</b>			
TPUC (2003)*	77,600		40
<b>TOTAL TPUC</b>	<b>77,600</b>	<b>0</b>	
<b>TELECOMMUNICATIONS PLANT ADJUSTMENT</b>			
Telecommunications Plant Adjustment (2005)*			41
Less: Accumulated Amortization--Other (3600)*			42
<b>NET TELECOMMUNICATIONS PLANT ADJUSTMENT</b>	<b>0</b>	<b>0</b>	
<b>TOTAL PLANT</b>	<b>3,207,482</b>	<b>3,227,079</b>	
<b>TOTAL ASSETS AND OTHER DEBITS</b>	<b>6,953,464</b>	<b>6,135,333</b>	

**BALANCE SHEET - LIABILITIES (CLASS B USE ACCOUNTS DESIGNATED BY \*)**

<b>Particulars (a)</b>	<b>Balance--EOY (b)</b>	<b>Balance--FOY (c)</b>	
<b>CURRENT LIABILITIES</b>			
Accounts Payable (4010)*	198,459	149,650	1
Notes Payable (4020)*	335,000	400,000	2
Advance Billing and Payments (4030)*			3
Customer Deposits (4040)*	300	400	4
Current Maturities--Long-Term Debt (4050)*	337,300	200,200	5
Current Maturities--Capital Leases (4060)*			6
Income Taxes--Accrued (4070)*			7
Other Taxes--Accrued (4080)*			8
Net Current Deferred Operating Income Taxes (4100)*	0	0	9
Net Current Deferred Nonoperating Income Taxes (4110)*			10
Other Accrued Liabilities (4120)*	11,697	10,605	11
Other Current Liabilities (4130)*			12
<b>TOTAL CURRENT LIABILITIES</b>	<b>882,756</b>	<b>760,855</b>	
<b>LONG-TERM DEBT</b>			
Funded Debt (4210)*	2,844,376	2,617,210	13
Premium on Long-Term Debt (4220)*			14
Discount on Long-Term Debt (4230)*			15
Reacquired Debt (4240)*			16
Obligations Under Capital Leases (4250)*			17
Advances from Affiliated Companies (4260)*	0	0	18
Other Long-Term Debt (4270)*	124,862	93,322	19
<b>TOTAL LONG-TERM DEBT</b>	<b>2,969,238</b>	<b>2,710,532</b>	
<b>OTHER LIABILITIES AND DEFERRED CREDITS</b>			
Other Long-Term Liabilities (4310)*			20
Unamortized Operating ITC--Net (4320)*	4,955	8,145	21
Unamortized Nonoperating ITC--Net (4330)*			22
Net Noncurrent Deferred Operating Income Taxes (4340)*	59,505	(1,434)	23
Net Deferred Tax Liability Adjustments (4341)*	0	0	24
Net Noncurrent Deferred Nonoperating Income Taxes (4350)*	(128,560)	(116,209)	25
Other Deferred Credits (4360)*			26
Deferred Tax Regulatory Liability (4361)*	12,972	12,972	27
<b>TOTAL OTHER LIABILITIES AND DEFERRED CREDITS</b>	<b>(51,128)</b>	<b>(96,526)</b>	
<b>STOCKHOLDERS' EQUITY</b>			
Capital Stock (4510)*	229,950	229,950	28
Additional Paid-in Capital (4520)*			29
Treasury Stock (4530)*			30
Other Capital (4540)*	(3,480)	(3,634)	31
Retained Earnings (4550)*	2,926,128	2,534,156	32
<b>TOTAL STOCKHOLDERS' EQUITY</b>	<b>3,152,598</b>	<b>2,760,472</b>	
<b>TOTAL LIABILITIES AND OTHER CREDITS</b>	<b>6,953,464</b>	<b>6,135,333</b>	

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### **IMPORTANT CHANGES DURING THE YEAR**

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1. Estimated increase or decrease in annual revenues due to important rate changes, giving bases of estimates.

**NONE**

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2. Additional matters of fact (not elsewhere provided for) which respondent may desire to include in its report.

**NONE**

**AFFILIATE ABBREVIATIONS**

In column (b) provide the abbreviation for the name of the affiliate shown in column (a). Limit abbreviations to 10 characters or less. Use these abbreviations when completing the affiliated interest schedules. Insert "Other" in the Abbreviations column if the activity to be reported for a particular record in the Affiliated Interest Transactions or Affiliated Assets and Liabilities schedule represents an aggregation of activity not exceeding the dollar or percentage limits set forth in the header of that schedule.

<b>Name of Affiliate (a)</b>	<b>Abbreviations (b)</b>	
BAYLAND COMMUNICATIONS, INC.	BAYCOM	<b>1</b>
BAYNET, INC.	BAYNET	<b>2</b>

**AFFILIATED INTEREST TRANSACTIONS**

Provide a summary of transactions under established affiliated interest contracts and arrangements (see Wis. Stat. § 196.52, for "affiliated interest" definitions). Use the space below to report transactions with individual affiliates and multiple affiliated interest agreements or, at the utility's option, with individual affiliates and a single agreement. Activity associated with affiliated contracts or arrangements not in excess of \$25,000 or 5 percent of the equity of the utility, whichever is smaller, may be aggregated in a single record. For utilities whose intrastate gross operating revenues of the previous year exceeded \$100,000,000, individual contracts or arrangements not exceeding \$100,000 may be aggregated in a single record. Where an affiliate is both providing and receiving service use one record to show billings to and a second record for billings from. When billings to or from an affiliate are recorded on the books of the utility, the records underlying such billings shall be sufficient to show all the detail maintained to identify the associated accounts related to the billing.

<b>Particulars</b> <b>(a)</b>	<b>(b)</b>	<b>(c)</b>	<b>(d)</b>	<b>(e)</b>
Docket	0387NC100	7147TI100		
Name of Affiliate	BAYCOM	BAYNET		<b>1</b>
Designate whether billed to or from:	TO	TO		<b>2</b>
Cost Based (C), Market Price (M), Prevailing Price (P), Tariff (T), Other (O)	C	C		<b>3</b>
Total Dollar Activity	---CONF---	---CONF---		<b>4</b>
Percent of affiliate's business billed to all affiliated regulated utilities	---CONF---	---CONF---		<b>5</b>
If cost based, rate of return on equity or markup incorporated in billings	---CONF---	---CONF---		<b>6</b>
Footnotes				

**TELECOMMUNICATIONS PLANT IN SERVICE CLASS A & B**

<b>Plant Account (a)</b>	<b>Account (b)</b>	<b>Balance FOY (c)</b>	<b>Additions (d)</b>	
<b>GENERAL SUPPORT ASSETS</b>				
Land	2111	44,717	18,500	1
Motor Vehicles	2112	144,008		2
Aircraft	2113	0		3
Special Purpose Vehicles	2114	0		4
Garage Work Equipment	2115	0		5
Other Work Equipment	2116	37,377		6
Buildings	2121	261,827	15,668	7
Furniture	2122	16,848	2,415	8
Office Equipment	2123	47,604	0	9
General Purpose Computers	2124	123,762	34,356	10
<b>TOTAL--GENERAL SUPPORT ASSETS:</b>		<b>676,143</b>	<b>70,939</b>	
<b>CENTRAL OFFICE ASSETS</b>				
Analog Electronic Switching	2211	0		11
Digital Electronic Switching	2212	1,825,698	7,038	12 A
Electro-Mechanical Switching	2215	0	0	13
Operator Systems	2220	0		14
Radio Systems	2231	0	0	15
Circuit Equipment	2232	698,416	42,203	16 A
<b>TOTAL--CENTRAL OFFICE ASSETS:</b>		<b>2,524,114</b>	<b>49,241</b>	
<b>INFORMATION ORIGATION/TERMINATION ASSETS</b>				
Station Apparatus	2311	0		17
Customer Premises Wiring	2321	0		18
Large Private Branch Exchanges	2341	0		19
Public Telephone Terminal Equipment	2351	0		20
Other Terminal Equipment	2362	0		21
<b>TOTAL--INFORMATION ORIG/TERM ASSETS:</b>		<b>0</b>	<b>0</b>	
<b>CABLE WIRE FACILITIES ASSETS</b>				
Poles	2411	0		22
Aerial Cable	2421	0	0	23
Underground Cable	2422	0	0	24
Buried Cable	2423	3,627,784	306,431	25
Submarine Cable	2424	0	0	26
Deep Sea Cable	2425	0		27
Intrabuilding Network Cable	2426	0	0	28
Aerial Wire	2431	0		29
Conduit Systems	2441	0	30,825	30
<b>TOTAL--CABLE WIRE FACILITIES ASSETS:</b>		<b>3,627,784</b>	<b>337,256</b>	
<b>AMORTIZABLE ASSETS</b>				
Capital Leases	2681	0		31

**TELECOMMUNICATIONS PLANT IN SERVICE CLASS A & B (cont.)**

<b>Account (e)</b>	<b>Retirements (f)</b>	<b>Transfers / Adjustments (g)</b>	<b>Balance EOY (h)</b>	
2111			63,217	1
2112			144,008	2
2113			0	3
2114			0	4
2115			0	5
2116			37,377	6
2121	1,000		276,495	7
2122			19,263	8
2123	0	0	47,604	9
2124	6,343		151,775	10
	<b>7,343</b>	<b>0</b>	<b>739,739</b>	
2211			0	11
2212	(2,837)	(521,955)	1,313,618	12 A
2215	0	0	0	13
2220			0	14
2231	0	0	0	15
2232	64,105	521,955	1,198,469	16 A
	<b>61,268</b>	<b>0</b>	<b>2,512,087</b>	
2311			0	17
2321			0	18
2341			0	19
2351			0	20
2362			0	21
	<b>0</b>	<b>0</b>	<b>0</b>	
2411			0	22
2421	0	0	0	23
2422	0	0	0	24
2423	383,136	0	3,551,079	25
2424	0	0	0	26
2425			0	27
2426	0	0	0	28
2431			0	29
2441			30,825	30
	<b>383,136</b>	<b>0</b>	<b>3,581,904</b>	
2681			0	31

**TELECOMMUNICATIONS PLANT IN SERVICE CLASS A & B**

<b>Plant Account (a)</b>	<b>Account (b)</b>	<b>Balance FOY (c)</b>	<b>Additions (d)</b>
<b>AMORTIZABLE ASSETS</b>			
Leasehold Improvements	2682	0	<b>32</b>
Intangibles	2690	0	<b>33</b>
<b>TOTAL--AMORTIZABLE ASSETS:</b>		<b>0</b>	<b>0</b>
<b>TOTAL TELECOM. PLANT IN SERVICE</b>	<b>2001</b>	<b>6,828,041</b>	<b>457,436</b>
Less: Allocation to Nonregulated Activity - EOY	2001		<b>34</b>
<b>NET REG. TOTAL TELE. PLANT IN SERV. - EOY</b>	<b>2001</b>		

Explain all amounts shown in column (g).



**TELECOMMUNICATIONS PLANT IN SERVICE CLASS A & B (cont.)**

<b>Account (e)</b>	<b>Retirements (f)</b>	<b>Transfers / Adjustments (g)</b>	<b>Balance EOY (h)</b>	
2682			0	32
2690			0	33
	0	0	0	
	451,747	0	6,833,730	
2001			0	34
			6,833,730	

**TELECOMMUNICATIONS PLANT IN SERVICE CLASS A & B (SUB-CLASS ACCOUNTS)**

Report telecommunications plant data for each subaccount where primary plant accounts have subclassifications. Amounts pertaining to subaccount 2212.4, Test Equipment, should be reported in account 2212.2, Digital Switching - Central Office; amounts for subaccounts 2231.3, Microwave, 2231.4, Cellular, 2231.5, Mobile Radio, and 2231.6, Paging, should be included in 2231.2, Other Radio Facilities; amounts pertaining to subaccounts 2232.4, Digital Data Services, 2232.5, Digital Circuit - Subscriber, 2232.6, Digital Circuit - Trunk - Toll, and 2232.7, Concentrators, should be reported in 2232.1, Digital Circuit Equipment. Any other separate accounting for telephone plant at an individual telephone company should be consolidated and reported in the primary accounts as defined in the uniform system of accounts.

<b>Plant Subaccount (a)</b>	<b>Subaccount (b)</b>	<b>Balance FOY (c)</b>	<b>Additions (d)</b>	
Office Support Equipment	2123.1	22,614		<b>1</b>
Company Communications Equipment	2123.2	24,990		<b>2</b>
Software	2212.1	0		<b>3 A</b>
Digital Switching - Central Office	2212.2	1,765,994	7,038	<b>4 A</b>
Digital Switching - Remote	2212.3	59,704		<b>5</b>
Step by Step Switching	2215.1	0		<b>6</b>
Crossbar Switching	2215.2	0		<b>7</b>
Satellite and Earth Station Facilities	2231.1	0		<b>8</b>
Other Radio Facilities	2231.2	0		<b>9</b>
Digital Circuit Equipment	2232.1	608,079	42,203	<b>10 A</b>
Analog Circuit Equipment	2232.2	0		<b>11 A</b>
Light Wave Circuit Equipment	2232.3	90,337		<b>12 A</b>
Aerial Cable - Nonmetallic	2421.1	0		<b>13</b>
Aerial Cable - Metallic	2421.2	0		<b>14</b>
Underground Cable - Nonmetallic	2422.1	0		<b>15</b>
Underground Cable - Metallic	2422.2	0		<b>16</b>
Buried Cable - Nonmetallic	2423.1	279,382		<b>17</b>
Buried Cable - Metallic	2423.2	3,348,402	306,431	<b>18</b>
Submarine Cable - Nonmetallic	2424.1	0		<b>19</b>
Submarine Cable - Metallic	2424.2	0		<b>20</b>
Intrabuilding Cable - Nonmetallic	2426.1	0		<b>21</b>
Intrabuilding Cable - Metallic	2426.2	0		<b>22</b>

Explain all amounts shown in column (g).

# **TELECOMMUNICATIONS PLANT IN SERVICE CLASS A & B (SUB-CLASS ACCOUNTS)** **(cont.)**

<b>Subaccount (e)</b>	<b>Retirements (f)</b>	<b>Transfers / Adjustments (g)</b>	<b>Balance EOY (h)</b>	
2123.1			<b>22,614</b>	<b>1</b>
2123.2			<b>24,990</b>	<b>2</b>
2212.1		221,690	<b>221,690</b>	<b>3 A</b>
2212.2	(2,837)	(743,645)	<b>1,032,224</b>	<b>4 A</b>
2212.3			<b>59,704</b>	<b>5</b>
2215.1			<b>0</b>	<b>6</b>
2215.2			<b>0</b>	<b>7</b>
2231.1			<b>0</b>	<b>8</b>
2231.2			<b>0</b>	<b>9</b>
2232.1	64,105	279,016	<b>865,193</b>	<b>10 A</b>
2232.2		259,864	<b>259,864</b>	<b>11 A</b>
2232.3		(16,925)	<b>73,412</b>	<b>12 A</b>
2421.1			<b>0</b>	<b>13</b>
2421.2			<b>0</b>	<b>14</b>
2422.1			<b>0</b>	<b>15</b>
2422.2			<b>0</b>	<b>16</b>
2423.1			<b>279,382</b>	<b>17</b>
2423.2	383,136		<b>3,271,697</b>	<b>18</b>
2424.1			<b>0</b>	<b>19</b>
2424.2			<b>0</b>	<b>20</b>
2426.1			<b>0</b>	<b>21</b>
2426.2			<b>0</b>	<b>22</b>

**ACCUMULATED DEPRECIATION CLASS A & B**

<b>Primary Plant Account (a)</b>	<b>Acct (b)</b>	<b>Balance FOY (c)</b>	<b>Depr Rate (d)</b>	<b>Annual Accrual (e)</b>	<b>Additional Accrual (f)</b>
<b>GENERAL SUPPORT ASSETS</b>					
Motor Vehicles	2112	106,880	13.3	14,192	1
Aircraft	2113	0			2
Special Purpose Vehicles	2114	0			3
Garage Work Equipment	2115	0			4
Other Work Equipment	2116	33,924	10.0	2,584	5
Buildings	2121	137,175	2.95	7,940	6
Furniture	2122	12,856	10.0	1,599	7
Office Equipment	2123	33,260	20.0	7,155	8
General Purpose Computers	2124	118,416	25.0	34,281	9
<b>Total-- GENERAL SUPPORT ASSETS</b>		<b>442,511</b>		<b>67,751</b>	<b>0</b>
<b>CENTRAL OFFICE ASSETS</b>					
Analog Electronic Switching	2211	0			10
Digital Electronic Switching	2212	1,140,268	9.7	160,861	11A
Electro-Mechanical Switching	2215	0			12
Operator Systems	2220	0			13
Radio Systems	2231	0			14
Circuit Equipment	2232	545,524	11.6	143,896	15A
<b>Total-- CENTRAL OFFICE ASSETS</b>		<b>1,685,792</b>		<b>304,757</b>	<b>0</b>
<b>INFORMATION ORIG/TERM ASSETS</b>					
Station Apparatus	2311	0			16
Customer Premises Wiring	2321	0			17
Large Private Branch Exchanges	2341	0			18
Public Telephone Terminal Equipment	2351	0			19
Other Terminal Equipment	2362	0			20
<b>Total-- INFORMATION ORIG/TERM ASSETS</b>		<b>0</b>		<b>0</b>	<b>0</b>
<b>CABLE WIRE FACILITIES ASSETS</b>					
Poles	2411	0			21
Aerial Cable	2421	0			22
Underground Cable	2422	0			23
Buried Cable	2423	1,472,659	5.0	179,471	24
Submarine Cable	2424	0			25
Deep Sea Cable	2425	0			26
Intrabuilding Network Cable	2426	0			27
Aerial Wire	2431	0			28

**ACCUMULATED DEPRECIATION CLASS A & B**

<b>Primary Plant Account (a)</b>	<b>Acct (b)</b>	<b>Balance FOY (c)</b>	<b>Depr Rate (d)</b>	<b>Annual Accrual (e)</b>	<b>Additional Accrual (f)</b>
<b>CABLE WIRE FACILITIES ASSETS</b>					
Conduit Systems	2441	0	3.0	462	<b>29</b>
<b>Total-- CABLE WIRE FACILITIES ASSETS</b>		<b>1,472,659</b>		<b>179,933</b>	<b>0</b>
<b>Total Accumulated Depreciation</b>	<b>3100</b>	<b>3,600,962</b>		<b>552,441</b>	<b>0</b>
Less: Allocation to Nonregulated Activity - Columns e, f and I	3100				<b>30</b>
<b>Net Regulated Total Accum Depreciation - 3100</b>					
<b>Columns e, f and I</b>					

**ACCUMULATED DEPRECIATION CLASS A & B (cont.)**

<b>Acct (g)</b>	<b>Retired (h)</b>	<b>Cost of Removal (i)</b>	<b>Salvage (j)</b>	<b>Other (k)</b>	<b>Balance EOY (l)</b>	
2112					121,072	1
2113					0	2
2114					0	3
2115					0	4
2116					36,508	5
2121	1,000				144,115	6
2122					14,455	7
2123	0				40,415	8
2124	6,343				146,354	9
	<b>7,343</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>502,919</b>	
2211					0	10
2212	(2,837)			(386,261)	917,705	11 A
2215	0				0	12
2220					0	13
2231	0				0	14
2232	64,105		2,523	386,261	1,014,099	15 A
	<b>61,268</b>	<b>0</b>	<b>2,523</b>	<b>0</b>	<b>1,931,804</b>	
2311					0	16
2321					0	17
2341					0	18
2351					0	19
2362					0	20
	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
2411					0	21
2421	0				0	22
2422	0				0	23
2423	383,136	331			1,268,663	24
2424	0				0	25
2425					0	26
2426	0				0	27
2431					0	28

**ACCUMULATED DEPRECIATION CLASS A & B (cont.)**

<b>Acct (g)</b>	<b>Retired (h)</b>	<b>Cost of Removal (i)</b>	<b>Salvage (j)</b>	<b>Other (k)</b>	<b>Balance EOY (l)</b>	
2441					462	29
	383,136	331	0	0	1,269,125	
<b>3100</b>	<b>451,747</b>	<b>331</b>	<b>2,523</b>	<b>0</b>	<b>3,703,848</b>	
3100						30
<b>3100</b>						

**ACCUMULATED DEPRECIATION CLASS A & B (SUB-CLASS ACCOUNTS)**

Where subclassifications of primary plant accounts are used, report below the accumulated depreciation details for each subaccount. Amounts pertaining to subaccount 2212.4, Test Equipment, should be reported in account 2212.2, Digital Switching - Central Office; amounts for subaccounts 2231.3, Microwave, 2231.4, Cellular, 2231.5, Mobile Radio, and 2231.6, Paging, should be included in 2231.2, Other Radio Facilities; amounts pertaining to subaccounts 2232.4, Digital Data Services, 2232.5, Digital Circuit - Subscriber, 2232.6, Digital Circuit - Trunk - Toll, and 2232.7, Concentrators, should be reported in 2232.1, Digital Circuit Equipment. Any other separate accounting for telephone accumulated depreciation at an individual telephone company should be consolidated and reported in the primary accounts as defined in the uniform system of accounts.

<b>Plant Subaccount (a)</b>	<b>Subacct (b)</b>	<b>Balance FOY (c)</b>	<b>Depr Rate (d)</b>	<b>Annual Accrual (e)</b>	<b>Additional Accrual (f)</b>
Office Support Equipment	2123.1	15,470	20.0	3,082	<b>1</b>
Company Communications Equipment	2123.2	17,790	20.0	4,073	<b>2</b>
Software	2212.1	0	25.0	55,423	<b>3 A</b>
Digital Switching - Central Office	2212.2	1,110,080	9.7	102,275	<b>4 A</b>
Digital Switching - Remote	2212.3	30,188	9.7	3,163	<b>5</b>
Step by Step Switching	2215.1	0			<b>6</b>
Crossbar Switching	2215.2	0			<b>7</b>
Satellite and Earth Station Facilities	2231.1	0			<b>8</b>
Other Radio Facilities	2231.2	0			<b>9</b>
Digital Circuit Equipment	2232.1	482,227	11.6	105,236	<b>10 A</b>
Analog Circuit Equipment	2232.2	0	11.6	30,144	<b>11 A</b>
Light Wave Circuit Equipment	2232.3	63,297	11.6	8,516	<b>12 A</b>
Aerial Cable - Nonmetallic	2421.1	0			<b>13</b>
Aerial Cable - Metallic	2421.2	0			<b>14</b>
Underground Cable - Nonmetallic	2422.1	0			<b>15</b>
Underground Cable - Metallic	2422.2	0			<b>16</b>
Buried Cable - Nonmetallic	2423.1	74,915	5.0	13,969	<b>17</b>
Buried Cable - Metallic	2423.2	1,397,744	5.0	165,502	<b>18</b>
Submarine Cable - Nonmetallic	2424.1	0			<b>19</b>
Submarine Cable - Metallic	2424.2	0			<b>20</b>
Intrabuilding Cable - Nonmetallic	2426.1	0			<b>21</b>
Intrabuilding Cable - Metallic	2426.2	0			<b>22</b>



**ACCUMULATED DEPRECIATION CLASS A & B (SUB-CLASS ACCOUNTS) (cont.)**

<b>Subacct (g)</b>	<b>Retired (h)</b>	<b>Cost of Removal (i)</b>	<b>Salvage (j)</b>	<b>Other (k)</b>	<b>Balance EOY (l)</b>	
2123.1					<b>18,552</b>	<b>1</b>
2123.2					<b>21,863</b>	<b>2</b>
2212.1				109,700	<b>165,123</b>	<b>3 A</b>
2212.2	(2,837)			(495,961)	<b>719,231</b>	<b>4 A</b>
2212.3					<b>33,351</b>	<b>5</b>
2215.1					<b>0</b>	<b>6</b>
2215.2					<b>0</b>	<b>7</b>
2231.1					<b>0</b>	<b>8</b>
2231.2					<b>0</b>	<b>9</b>
2232.1	64,105		2,523	188,585	<b>714,466</b>	<b>10 A</b>
2232.2				198,658	<b>228,802</b>	<b>11 A</b>
2232.3				(982)	<b>70,831</b>	<b>12 A</b>
2421.1					<b>0</b>	<b>13</b>
2421.2					<b>0</b>	<b>14</b>
2422.1					<b>0</b>	<b>15</b>
2422.2					<b>0</b>	<b>16</b>
2423.1					<b>88,884</b>	<b>17</b>
2423.2	383,136	331			<b>1,179,779</b>	<b>18</b>
2424.1					<b>0</b>	<b>19</b>
2424.2					<b>0</b>	<b>20</b>
2426.1					<b>0</b>	<b>21</b>
2426.2					<b>0</b>	<b>22</b>

# **NET DEFERRED OPERATING INCOME TAXES (ACCT. 1350, 1410, 1437, 4100, 4340, 4341 & 4361)**

This schedule should be used to report the deferred operating income tax portion of the stated accounts.  
Credit amounts should be shown in ( ).

Particulars (a)	Balance EOY (b)	
<b>PROPERTY RELATED</b>		
Other Current Assets (1350)		1
Other Noncurrent Assets (1410)		2
Deferred Tax Regulatory Asset (1437)		3
Net Current Deferred Operating Income Taxes (4100)		4
Net Noncurrent Deferred Operating Income Taxes (4340)	(58,170)	5
Net Deferred Tax Liability Adjustments (4341)		6
Deferred Tax Regulatory Liability (4361)	(12,710)	7
<b>Net Property Related Deferred Operating Income Taxes</b>	<b>(70,880)</b>	
Less: Allocation to Nonregulated Activity	0	8
<b>Net Regulated Total Property Related Deferred Operating Income Taxes</b>	<b>(70,880)</b>	
<b>NONPROPERTY RELATED</b>		
Other Current Assets (1350)		9
Other Noncurrent Assets (1410)		10
Deferred Tax Regulatory Asset (1437)		11
Net Current Deferred Operating Income Taxes (4100)		12
Net Noncurrent Deferred Operating Income Taxes (4340)	(1,335)	13
Net Deferred Tax Liability Adjustments (4341)		14
Deferred Tax Regulatory Liability (4361)	(262)	15
<b>Total Nonproperty Related Deferred Operating Income Taxes</b>	<b>(1,597)</b>	

**RETAINED EARNINGS (ACCT. 4550)**

<b>Particulars (a)</b>	<b>This Year (b)</b>	<b>Last Year (c)</b>	
Balance-First of Year	2,534,156	2,033,957	<b>1</b>
<b>Changes:</b>			
Balance Transferred from Income	433,039	541,266	<b>2</b>
<b>Dividends Declared:</b>			
Common	41,067	41,067	<b>3</b>
Preferred		0	<b>4</b>
<b>Total Dividends Declared</b>	<b>41,067</b>	<b>41,067</b>	
Miscellaneous Debits to Retained Earnings		0	<b>5</b>
Miscellaneous Credits to Retained Earnings		0	<b>6</b>
<b>Balance--End of Year</b>	<b><u>2,926,128</u></b>	<b><u>2,534,156</u></b>	

**REVENUES - CLASS A & B (CLASS B USE ACCOUNTS DESIGNATED BY \*)**

<b>Particulars (a)</b>	<b>This Year (b)</b>	<b>Last Year (c)</b>	
<b>LOCAL NETWORK SERVICES REVENUES</b>			
Basic Local Service Revenue (5000)*	716,190	669,000	1
Basic Area Revenue (5001)			2
Optional Extended Area Revenue (5002)			3
Cellular Mobile Revenue (5003)			4
Other Mobile Services Revenue (5004)			5
Public Telephone Revenue (5010)			6
Local Private Line Revenue (5040)			7
Customer Premises Revenue (5050)			8
Other Local Exchange Revenue (5060)			9
Other Local Exchange Revenue Settlements (5069)			10
<b>TOTAL BASIC LOCAL SERVICE REVENUE (5000)</b>	<b>716,190</b>	<b>669,000</b>	
<b>NETWORK INTERSTATE ACCESS SERVICES REV.</b>			
End User Revenue (5081)*	102,009	96,052	11
Switched Access Revenue (5082)*	475,408	426,181	12
Special Access Revenue (5083)*			13
<b>TOTAL INTERSTATE ACCESS REVENUES (5080)</b>	<b>577,417</b>	<b>522,233</b>	
<b>NETWORK INTRASTATE ACCESS SERVICES REV.</b>			
End User Revenue (5084.1)*			14
Switched Access Revenue (5084.2)*	353,711	330,072	15
Special Access Revenue (5084.3)*			16
<b>TOTAL INTRASTATE ACCESS REVENUES (5084)</b>	<b>353,711</b>	<b>330,072</b>	
<b>LONG DISTANCE NETWORK SERVICES MESSAGE REV.</b>			
Long Distance Message Revenue (5100)*			17
Long Distance Inward-Only Revenue (5111)			18
Long Distance Outward-Only Revenue (5112)			19
<b>Unidirectional Long Distance Revenue (5110)</b>	<b>0</b>	<b>0</b>	
<b>Long Distance Private Network Revenues</b>			
Subvoice Grade Revenue (5121)			20
Voice Grade Revenue (5122)			21
Audio Program Grade Revenue (5123)			22
Video Program Grade Revenue (5124)			23
Digital Transmission Revenue (5125)			24
Switching Revenue (5126)			25
Other Revenue (5128)			26
Other Revenue Settlements (5129)			27
<b>Total Long Distance Private Network Revenue</b>	<b>0</b>	<b>0</b>	
Other Long Distance Revenue (5160)			28
Other Long Distance Revenue Settlements (5169)			29
<b>TOTAL LONG DISTANCE NET. SERVICES MESSAGE REV.</b>	<b>0</b>	<b>0</b>	

**REVENUES - CLASS A & B (CLASS B USE ACCOUNTS DESIGNATED BY \*)**

<b>Particulars (a)</b>	<b>This Year (b)</b>	<b>Last Year (c)</b>	
<b>MISCELLANEOUS REVENUES</b>			
Directory Revenue (5230)*	---CONF---	---CONF---	<b>30</b>
Rent Revenue (5240)*	---CONF---	---CONF---	<b>31</b>
Corporate Operations Revenue (5250)*	---CONF---	---CONF---	<b>32</b>
<b>Miscellaneous:</b>			
Miscellaneous Revenue (5260)*	---CONF---	---CONF---	<b>33</b>
Special Billing Arrangements Revenue (5261)	---CONF---	---CONF---	<b>34</b>
Customer Operations Revenue (5262)	---CONF---	---CONF---	<b>35</b>
Plant Operations Revenue (5263)	---CONF---	---CONF---	<b>36</b>
Other Incidental Regulated Revenue (5264)	---CONF---	---CONF---	<b>37</b>
Other Revenue Settlements (5269)	---CONF---	---CONF---	<b>38</b>
<b>Total Miscellaneous Revenue (5260)</b>	<b>---CONF---</b>	<b>---CONF---</b>	
Interstate Billing and Collection Revenue*	---CONF---	---CONF---	<b>39</b>
Intrastate Billing and Collection Revenue*	---CONF---	---CONF---	<b>40</b>
<b>Total Carrier Billing and Collection Revenue (5270)*</b>	<b>---CONF---</b>	<b>---CONF---</b>	
Nonregulated Operating Revenue (5280)**	---CONF---	---CONF---	<b>41</b>
<b>TOTAL MISCELLANEOUS REVENUES</b>	<b>112,658</b>	<b>112,026</b>	
<b>GROSS OPERATING REVENUES</b>	<b>1,759,976</b>	<b>1,633,331</b>	
<b>UNCOLLECTIBLE REVENUES</b>			
Uncollectible Revenue (5300)*	2,881	7,641	<b>42</b>
Uncollectible Revenue--Telecommunications (5301)			<b>43</b>
Uncollectible Revenue--Other (5302)			<b>44</b>
<b>TOTAL UNCOLLECTIBLE REVENUE (5300)</b>	<b>2,881</b>	<b>7,641</b>	
<b>TOTAL OPERATING REVENUES</b>	<b>1,757,095</b>	<b>1,625,690</b>	

\*\* Account 5280 is to be used only by those companies subject to dual jurisdiction.

**EXPENSES - CLASS A & B**

<b>Particulars (a)</b>	<b>Total This Year (b)</b>	<b>Total Last Year (c)</b>	
<b>PLANT SPECIFIC OPERATIONS EXPENSE</b>			
Total Network Support Expense ( 6110 )		0	1
Less: Nonregulated		0	2
<b>Net Regulated</b>	<b>0</b>	<b>0</b>	<b>3</b>
Total General Support Expense ( 6120 )	31,077	17,270	4
Less: Nonregulated		0	5 B
<b>Net Regulated</b>	<b>31,077</b>	<b>17,270</b>	<b>6</b>
Total Central Office Switching Expense ( 6210 )	156,188	84,750	7
Less: Nonregulated		0	8 C
<b>Net Regulated</b>	<b>156,188</b>	<b>84,750</b>	<b>9</b>
Total Operator Systems Expense ( 6220 )		0	10
Less: Nonregulated		0	11
<b>Net Regulated</b>	<b>0</b>	<b>0</b>	<b>12</b>
Total Central Office Transmission Expenses ( 6230 )	17,358	22,192	13
Less: Nonregulated		0	14
<b>Net Regulated</b>	<b>17,358</b>	<b>22,192</b>	<b>15</b>
Total Information Orig. / Term. Expense ( 6310 )		0	16
Less: Nonregulated		0	17
<b>Net Regulated</b>	<b>0</b>	<b>0</b>	<b>18</b>
Total Cable and Wire Fac. Expense ( 6410 )	159,989	154,409	19
Less: Nonregulated		0	20
<b>Net Regulated</b>	<b>159,989</b>	<b>154,409</b>	<b>21</b>
<b>TOTAL PLANT SPECIFIC OPERATIONS EXPENSE</b>	<b>364,612</b>	<b>278,621</b>	
<b>Less: Nonregulated</b>	<b>0</b>	<b>0</b>	
<b>Net Regulated</b>	<b>364,612</b>	<b>278,621</b>	
<b>PLANT NONSPECIFIC OPERATIONS EXPENSE</b>			
Total Other Property, Plant and Equip. Exp. ( 6510 )		0	22
Less: Nonregulated		0	23
<b>Net Regulated</b>	<b>0</b>	<b>0</b>	<b>24</b>
Total Network Operations Expense ( 6530 )	27,021	30,075	25
Less: Nonregulated		0	26
<b>Net Regulated</b>	<b>27,021</b>	<b>30,075</b>	<b>27</b>
Access Expense ( 6540 )	12,455	7,537	28
Less: Nonregulated		0	29
<b>Net Regulated</b>	<b>12,455</b>	<b>7,537</b>	<b>30</b>
Total Depreciation and Amortization Expense ( 6560 )	552,441	480,205	31
Less: Nonregulated	4,935	4,097	32
<b>Net Regulated</b>	<b>547,506</b>	<b>476,108</b>	<b>33</b>
<b>TOTAL PLANT NONSPECIFIC OPERATIONS EXP.</b>	<b>591,917</b>	<b>517,817</b>	
<b>Less: Nonregulated</b>	<b>4,935</b>	<b>4,097</b>	
<b>Net Regulated</b>	<b>586,982</b>	<b>513,720</b>	

**EXPENSES - CLASS A & B**

<b>Particulars (a)</b>	<b>Total This Year (b)</b>	<b>Total Last Year (c)</b>	
<b>CUSTOMER OPERATIONS EXPENSE</b>			
Total Marketing ( 6610 )	18,659	14,796	<b>34</b>
Less: Nonregulated		0	<b>35</b>
<b>Net Regulated</b>	<b>18,659</b>	<b>14,796</b>	<b>36</b>
Total Services ( 6620 )	332,407	302,812	<b>37</b>
Less: Nonregulated		0	<b>38</b>
<b>Net Regulated</b>	<b>332,407</b>	<b>302,812</b>	<b>39</b>
<b>TOTAL CUSTOMER OPERATIONS EXPENSE</b>	<b>351,066</b>	<b>317,608</b>	
<b>Less: Nonregulated</b>	<b>0</b>	<b>0</b>	
<b>Net Regulated</b>	<b>351,066</b>	<b>317,608</b>	
<b>CORPORATE OPERATIONS EXPENSE</b>			
Total Exec. and Planning ( 6710 )	41,330	46,619	<b>40</b>
Less: Nonregulated		0	<b>41</b>
<b>Net Regulated</b>	<b>41,330</b>	<b>46,619</b>	<b>42</b>
Total General and Administrative ( 6720 )	170,740	172,497	<b>43</b>
Less: Nonregulated		0	<b>44</b>
<b>Net Regulated</b>	<b>170,740</b>	<b>172,497</b>	<b>45</b>
Provision for Uncollectible Notes Receiv. ( 6790 )		0	<b>46</b>
Less: Nonregulated		0	<b>47</b>
<b>Net Regulated</b>	<b>0</b>	<b>0</b>	<b>48</b>
<b>TOTAL CORPORATE OPERATIONS EXPENSE</b>	<b>212,070</b>	<b>219,116</b>	
<b>Less: Nonregulated</b>	<b>0</b>	<b>0</b>	
<b>Net Regulated</b>	<b>212,070</b>	<b>219,116</b>	
<b>TOTAL EXPENSES</b>	<b>1,519,665</b>	<b>1,333,162</b>	
<b>Less: Nonregulated</b>	<b>4,935</b>	<b>4,097</b>	
<b>Net Regulated</b>	<b>1,514,730</b>	<b>1,329,065</b>	

**EXPENSES - CLASS A & B (DETAIL)**

<b>Particulars (a)</b>	<b>Total This Year (b)</b>	<b>Total Last Year (c)</b>	
Property Held for Future Tele. Use Exp. ( 6511 )		0	<b>1</b>
Provisioning Expense ( 6512 )		0	<b>2</b>
<b>Total: Reported in Account 6510</b>	<b>0</b>	<b>0</b>	
Depreciat. Exp.--Tele. Plant in Service ( 6561 )	552,441	480,205	<b>3</b>
Depreciat. Exp.--Prop. Held for Future Tele. Use ( 6562 )	0	0	<b>4</b>
Amortization Expense--Tangible ( 6563 )		0	<b>5</b>
Amortization Expense--Intangible ( 6564 )		0	<b>6</b>
Amortization Expense--Other ( 6565 )		0	<b>7</b>
<b>Total: Reported in Account 6560</b>	<b>552,441</b>	<b>480,205</b>	



## CALCULATION OF ASSESSABLE REVENUES FOR REMAINDER AND TELEPHONE RELAY ASSESSMENT PURPOSES

**Currently, cooperatives are not billed for remainder assessment, but are subject to the telephone relay assessment.**

Description (a)	This Year (b)	
Gross Operating Revenues	1,759,976	1
Plus: Collection of amounts previously written off	2,476	2
Less: Uncollectibles written off during the year	5,357	3
Plus: Total Other Operating Income and (Expense) (7100)	0	4
Less: Nonregulated Operating Revenue (included in Gross Oper. Rev. on Line 1)		5
Plus: Nonregulated Net Write Off Amount (included on lines 2 and 3)		6
Less: Out-of-State Operating Revenues (included in Gross Oper. Rev. on Line 1)		7
Plus (or Less) Other (please specify): NONE	0	8
<b>Assessable Revenues for Remainder and Telephone Relay Assessment Purposes</b>	<b>1,757,095</b>	

## CALCULATION OF ASSESSABLE REVENUES FOR UNIVERSAL SERVICE FUND ASSESSMENT PURPOSES

Description (a)	This Year (b)	
Total Basic Local Service Revenue (5000)	716,190	1
Plus: Total Intrastate Access Revenues (5084)	353,711	2
Plus: Total Long Distance Network Services Revenue	0	3
Less: Out-of-State Operating Revenues (included in the above lines)	0	4
Plus: Intrastate Payphone Revenues	---CONF---	5
Plus (or Less) Other (please specify): None	---CONF---	6
<b>Assessable Revenues for Universal Service Fund Assessment Purposes</b>	<b>---CONF---</b>	

## CALCULATION OF ASSESSABLE REVENUES FOR REMAINDER AND TELEPHONE RELAY ASSESSMENT PURPOSES

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Plus: Nonregulated Net Write Off Amount (included on lines 2 and 3)		6
Less: Out-of-State Operating Revenues (included in Gross Oper. Rev. on Line 1)		7
Plus (or Less) Other (please specify): NONE	0	8
<b>Assessable Revenues for Remainder and Telephone Relay Assessment Purposes</b>	<b>1,757,095</b>	

## CALCULATION OF ASSESSABLE REVENUES FOR UNIVERSAL SERVICE FUND ASSESSMENT PURPOSES

Description (a)	This Year (b)	
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Plus: Total Intrastate Access Revenues (5084)	353,711	2
Plus: Total Long Distance Network Services Revenue	0	3
Less: Out-of-State Operating Revenues (included in the above lines)	0	4
Plus: Intrastate Payphone Revenues	---CONF---	5
Plus (or Less) Other (please specify): None	---CONF---	6
<b>Assessable Revenues for Universal Service Fund Assessment Purposes</b>	<b>---CONF---</b>	

**OTHER INCOME ACCOUNTS**

<b>Particulars (a)</b>	<b>This Year (b)</b>	<b>Last Year (c)</b>	
<b>OTHER OPERATING INCOME AND EXPENSE</b>			
Total Other Oper. Income and (Expense) (7100)			<b>1</b>
<b>OPERATING TAXES</b>			
Operating Investment Tax Credits--Net (7210)	(3,190)	(3,292)	<b>2</b>
Operating Federal Income Taxes (7220)	(20,400)	27,114	<b>3</b>
Operating State and Local Income Taxes (7230)	(5,147)	6,626	<b>4</b>
Operating Other Taxes (7240)	60,536	50,476	<b>5</b>
Provision for Deferred Operating Income Taxes--Net (7250)	60,939	1,120	<b>6</b>
<b>TOTAL OPERATING TAXES (7200)</b>	<b>92,738</b>	<b>82,044</b>	
<b>NONOPERATING INCOME AND EXPENSE</b>			
Dividend Income (7310)			<b>7</b>
Interest Income (7320)	40,038	56,148	<b>8</b>
Income from Sinking and Other Funds (7330)			<b>9</b>
Allowance for Funds Used During Construction (7340)	5,414	5,272	<b>10</b>
Gains or (Losses) from the Disposition of Certain Property (7350)			<b>11</b>
Other Nonoperating Income (7360)	638,092	499,484	<b>12</b>
Special Charges (7370)	(6,275)	(7,225)	<b>13</b>
<b>TOTAL NONOPERATING INCOME AND EXPENSE (7300)</b>	<b>689,819</b>	<b>568,129</b>	
<b>NONOPERATING TAXES</b>			
Total Nonoperating Taxes (7400)	239,196	109,023	<b>14</b>
<b>INTEREST AND RELATED ITEMS</b>			
Total Interest and Related Items (7500)	180,355	163,043	<b>15</b>
<b>EXTRAORDINARY ITEMS</b>			
Extraordinary Items (7600)			<b>16</b>
<b>NONREGULATED NET INCOME</b>			
Nonregulated Net Income (7990)	13,144	30,622	<b>17</b>

**NONREGULATED ACTIVITIES**

List the type of nonregulated activities that the company is involved in.

<b>Nonregulated Activity (a)</b>	
---CONF---	<b>1</b>
---CONF---	<b>2</b>
---CONF---	<b>3</b>

**DISTRIBUTION OF SALARIES AND WAGES**

Description (a)	Amount (b)	
Regulated Expense	350,891	1
All Other Accounts	230,954	2
<b>Total Salaries and Wages</b>	<b>581,845</b>	3 E

**EMPLOYEE DATA - END OF YEAR**

Report employee data based on primary allocation of respective wages and salaries.

<b>Particulars (a)</b>	<b>Employees (b)</b>	
<b>Plant Operations</b>		
Supervisory & Management	1	1
Central Office	1	2
Outside Plant	4	3
Building & Service		4
Other		5
<b>Customer Operations</b>		
Supervisory & Management	1	6
Operators		7
Business Office	5	8
Other		9
<b>Corporate Operations</b>		
Executive & General Management	1	10
Accounting & Finance	1	11
External Relations		12
Human Resources		13
Information Management		14
Legal		15
Procurement		16
Research & Development		17
Other		18
<b>Other</b>		
All Other Employees, Not Listed Above		19
<b>Total Employees</b>	<b>14</b>	
Part-Time Employees	2	20
Full-Time Employees	12	21
<b>Total Part-Time and Full-Time Employees</b>	<b>14</b>	

**TELEPHONE CALLS AND MINUTES OF USE PER MONTH**

Enter average number, in thousands, of calls and minutes of use per month. The averages may be based on actual counts taken periodically during the year. Please provide level of detail available.

Item (a)	Telephone Calls (000's) (b)	Minutes of Use (000's) (c)	
<b>LOCAL</b>			
Intra-Exchange	---CONF---	---CONF---	1
Extended Area Service	---CONF---	---CONF---	2
Extended Community Calling	---CONF---	---CONF---	3
Other Local-Undefined	---CONF---	---CONF---	4
<b>Total Local</b>	<b>499</b>	<b>5,234</b>	
<b>TOLL</b>			
Toll	69	812	5
<b>Total Toll</b>	<b>69</b>	<b>812</b>	
<b>Total Local &amp; Toll</b>	<b>568</b>	<b>6,046</b>	

**ACCESS USAGE**

Enter number, in thousands, of Billed Minutes.

Description (a)	Billed Minutes (000's)				
	Interstate InterLATA (b)	Intrastate InterLATA (c)	Intrastate IntraLATA (d)	Interstate IntraLATA (e)	
Feature Group A -- Orig.	---CONF---	---CONF---	---CONF---	---CONF---	1
Feature Group A -- Term.	---CONF---	---CONF---	---CONF---	---CONF---	2
Feature Group B -- Orig.	---CONF---	---CONF---	---CONF---	---CONF---	3
Feature Group B -- Term.	---CONF---	---CONF---	---CONF---	---CONF---	4
Feature Group C -- Orig.	---CONF---	---CONF---	---CONF---	---CONF---	5
Feature Group C -- Term.	---CONF---	---CONF---	---CONF---	---CONF---	6
Feature Group D -- Orig.	---CONF---	---CONF---	---CONF---	---CONF---	7
Feature Group D -- Term.	---CONF---	---CONF---	---CONF---	---CONF---	8



**OUTSIDE PLANT STATISTICS AT END OF YEAR**

<b>Description of Item (a)</b>	<b>Amount (b)</b>	
Sheath miles of plant - fiber optics	21	1
Strand miles of plant - fiber optics	368	2
Route miles of plant - microwave		3

**SPECIAL ACCESS CIRCUITS IN USE AT END OF YEAR**

<b>Circuit Type (a)</b>	<b>InterLATA Chan. Terms. (b)</b>	<b>IntraLATA Chan. Terms. (c)</b>	
Voice grade	---CONF---	---CONF---	1
56 kbps	---CONF---	---CONF---	2
64 kbps (DS0)	---CONF---	---CONF---	3 D
1.54 Mbps (DS-1)	---CONF---	---CONF---	4
45 Mbps (DS-3)	---CONF---	---CONF---	5 D
SONET OC-1	---CONF---	---CONF---	6
SONET OC-3	---CONF---	---CONF---	7
SONET OC-12	---CONF---	---CONF---	8
SONET OC-48	---CONF---	---CONF---	9
SONET OC-192	---CONF---	---CONF---	10

**OUTSIDE PLANT STATISTICS AT END OF YEAR**

<b>Description of Item (a)</b>	<b>Amount (b)</b>	
Sheath miles of plant - fiber optics	21	1
Strand miles of plant - fiber optics	368	2
Route miles of plant - microwave		3

**SPECIAL ACCESS CIRCUITS IN USE AT END OF YEAR**

<b>Circuit Type (a)</b>	<b>InterLATA Chan. Terms. (b)</b>	<b>IntraLATA Chan. Terms. (c)</b>	
Voice grade	---CONF---	---CONF---	1
56 kbps	---CONF---	---CONF---	2
64 kbps (DS0)	---CONF---	---CONF---	3 D
1.54 Mbps (DS-1)	---CONF---	---CONF---	4
45 Mbps (DS-3)	---CONF---	---CONF---	5 D
SONET OC-1	---CONF---	---CONF---	6
SONET OC-3	---CONF---	---CONF---	7
SONET OC-12	---CONF---	---CONF---	8
SONET OC-48	---CONF---	---CONF---	9
SONET OC-192	---CONF---	---CONF---	10

**SERVICE DATA**

Access Line--Central office line equipment, or equivalent, and all outside plant facilities, or equivalent, required to connect the serving central office with the customer premises via physical connection, frequency, and/or time slot. From an engineering perspective, a channel connection is at a DS0 level. A DS0 level is a 4 KHz voice or 64 Kilobits/second. Customer--A person who uses a telephone as a subscriber.

Item (a)	FOY (b)	EOY (c)	
<b>Business</b>			
1 Party	---CONF---	---CONF---	3
2 Party	---CONF---	---CONF---	4
4 Party	---CONF---	---CONF---	5
PBX Trunks/System Trunks	---CONF---	---CONF---	6
Centrex Trunks	---CONF---	---CONF---	7
Centrex Lines	---CONF---	---CONF---	8
Key System Trunks	---CONF---	---CONF---	9
Mobile (Utility Provided Service)	---CONF---	---CONF---	10
Paging (Utility Provided Service)	---CONF---	---CONF---	11
FX-Out (Switched)	---CONF---	---CONF---	12
Pay Telephone	---CONF---	---CONF---	13
Coin-Operated Pay Telephone	---CONF---	---CONF---	14
Independent Pay Telephone Provider	---CONF---	---CONF---	15
Other	---CONF---	---CONF---	16
<b>Total Business Lines</b>	<b>243</b>	<b>273</b>	17
<b>Residential (Incl. Emp. Concess.)</b>			
1 Party	---CONF---	---CONF---	19
2 Party	---CONF---	---CONF---	20
4 Party	---CONF---	---CONF---	21
FX-Out (Switched)	---CONF---	---CONF---	22
Other	---CONF---	---CONF---	23
<b>Total Residential Lines</b>	<b>2,002</b>	<b>2,117</b>	24
<b>Total Bus &amp; Res Lines</b>	<b>2,245</b>	<b>2,390</b>	25
Company Used Lines	36	40	26
<b>Total Lines Used</b>	<b>2,281</b>	<b>2,430</b>	27

**SERVICE DATA (cont.)**

Access Line--Central office line equipment, or equivalent, and all outside plant facilities, or equivalent, required to connect the serving central office with the customer premises via physical connection, frequency, and/or time slot. From an engineering perspective, a channel connection is at a DS0 level. A DS0 level is a 4 KHz voice or 64 Kilobits/second. Customer--A person who uses a telephone as a subscriber.

Item (a)	FOY (b)	EOY (c)	
<b>Miscellaneous</b>			
WATS Lines - OutWATS	---CONF---	---CONF---	3
WATS Lines - 800 Service	---CONF---	---CONF---	4
FX-In-intraLATA	---CONF---	---CONF---	5
Special Access-intraLATA			6
(expressed in equiv. access lines)	---CONF---	---CONF---	7
Special Access-interLATA			8
(expressed in equiv. access lines)	---CONF---	---CONF---	9
Feature Group A Lines	---CONF---	---CONF---	10
Feature Group B Trunks	---CONF---	---CONF---	11
Feature Group C Trunks	---CONF---	---CONF---	12
Feature Group D Trunks	---CONF---	---CONF---	13
TSPS - Trunks	---CONF---	---CONF---	14
EAS - Trunks	312	312	15
Cellular Trunks (Pub. Sw. Net.)	---CONF---	---CONF---	16
Video Distance Learning			17
- discounted (special tariff)			18
<b>Customers</b>			
Lifeline Customers	0	14	20
Linkup Customers	0	14	21
<b>Other</b>			
Total Company Square Miles	88	88	23
Total Company Route Miles	525	530	24
Footnotes			25

**SERVICE DATA - END OF YEAR**

Access Line--Central office line equipment, or equivalent, and all outside plant facilities, or equivalent, required to connect the serving central office with the customer premises via physical connection, frequency, and/or time slot. From an engineering perspective, a channel connection is at a DS0 level. A DS0 level is a 4 KHz voice or 64 Kilobits/second. Customer--A person who uses a telephone as a subscriber.

Item (a)	Exchange (b)	Exchange (c)	Exchange (d)	Exchange (e)	
PSCW Exchange ID	0010				1
<b>Business</b>					2
1 Party	---CONF---				3
2 Party	---CONF---				4
4 Party	---CONF---				5
PBX Trunks/System Trunks	---CONF---				6
Centrex Trunks	---CONF---				7
Centrex Lines	---CONF---				8
Key System Trunks	---CONF---				9
Mobile (utility provided service)	---CONF---				10
Paging (utility provided service)	---CONF---				11
FX-Out (Switched)	---CONF---				12
Pay Telephone	---CONF---				13
Coin-Operated Pay Telephone	---CONF---				14
Independent Pay Telephone Provider	---CONF---				15
Other	---CONF---				16
<b>Total Business Lines</b>	<b>273</b>	<b>0</b>	<b>0</b>	<b>0</b>	17
<b>Residential (Incl. Emp. Concess.)</b>					18
1 Party	---CONF---				19
2 Party	---CONF---				20
4 Party	---CONF---				21
FX-Out (Switched)	---CONF---				22
Other	---CONF---				23
<b>Total Residential Lines</b>	<b>2,117</b>	<b>0</b>	<b>0</b>	<b>0</b>	24
<b>Total Bus &amp; Res Lines</b>	<b>2,390</b>	<b>0</b>	<b>0</b>	<b>0</b>	25
Company Used Lines	40				26
<b>Total Lines Used</b>	<b>2,430</b>	<b>0</b>	<b>0</b>	<b>0</b>	27

**SERVICE DATA - END OF YEAR (cont.)**

Access Line--Central office line equipment, or equivalent, and all outside plant facilities, or equivalent, required to connect the serving central office with the customer premises via physical connection, frequency, and/or time slot. From an engineering perspective, a channel connection is at a DS0 level. A DS0 level is a 4 KHz voice or 64 Kilobits/second. Customer--A person who uses a telephone as a subscriber.

Item (a)	Exchange (b)	Exchange (c)	Exchange (d)	Exchange (e)	
PSCW Exchange ID	0010				1
<b>Miscellaneous</b>					2
WATS Lines - OutWATS	---CONF---				3
WATS Lines - 800 Service	---CONF---				4
FX-In-intraLATA	---CONF---				5
Special Access-intraLATA (equiv. access lines)	---CONF---				6
Special Access-interLATA (equiv. access lines)	---CONF---				7
Feature Group A Lines	---CONF---				8
Feature Group B Trunks	---CONF---				9
Feature Group C Trunks	---CONF---				10
Feature Group D Trunks	---CONF---				11
TSPS - Trunks	---CONF---				12
EAS - Trunks	312				13
Cellular Trunks (Pub. Sw. Net.)	---CONF---				14
Video Distance Learning - discounted (special tariff)					15
<b>Other</b>					16
Exchange Square Miles	88				17
Exchange Route Miles	530				18
Footnotes					19
					20
					21
					22

**MANUFACTURER ABBREVIATIONS**

Use these abbreviations when completing the central office data schedule.

<b>Manufacturer Name (a)</b>	<b>Abbreviation (b)</b>	
Alcatel	AL	1
ATTC	ATT	2
GTE	GTE	3
ITT	ITT	4
Lucent	ATT/LUC	5
Nippon Electric	NEC	6
Northern Telecom	NTI	7
Siemens	SI	8
Stromberg-Carlson	SC	9
VIDAR	VI	10

**EQUIPMENT ABBREVIATIONS**

Use these abbreviations when completing the central office data schedule.

<b>Equipment Type (a)</b>	<b>Abbreviation (b)</b>	
Electromechanical	EM	1
Electronic--Analog	A	2
Electronic--Digital	D	3
Electronic--Video	V	4

**MANUFACTURER ABBREVIATIONS**

Use these abbreviations when completing the central office data schedule.

<b>Manufacturer Name (a)</b>	<b>Abbreviation (b)</b>	
Alcatel	AL	<b>1</b>
ATTC	ATT	<b>2</b>
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ITT	ITT	<b>4</b>
Lucent	ATT/LUC	<b>5</b>
Nippon Electric	NEC	<b>6</b>
Northern Telecom	NTI	<b>7</b>
Siemens	SI	<b>8</b>
Stromberg-Carlson	SC	<b>9</b>
VIDAR	VI	<b>10</b>

**EQUIPMENT ABBREVIATIONS**

Use these abbreviations when completing the central office data schedule.

<b>Equipment Type (a)</b>	<b>Abbreviation (b)</b>	
Electromechanical	EM	<b>1</b>
Electronic--Analog	A	<b>2</b>
Electronic--Digital	D	<b>3</b>
Electronic--Video	V	<b>4</b>



**CENTRAL OFFICE DATA - END OF YEAR**

When an exchange has more than one central office, data must be reported for each central office.

<b>Description (a)</b>	<b>Central Off. (b)</b>	<b>Central Off. (c)</b>	<b>Central Off. (d)</b>	<b>Central Off. (e)</b>	
Exchange Name	ABRAMS				1
PSCW Exchange ID	0010				2
Central Office Name	ABRAMS				3
PSCW Central Office ID	1				4
Central Office CLLI Code	ABRMWIXADSO				5
Manufacturer of COE (Page 54)	NTI				6
Year COE Installed	1984				7
Type of Equipment (Page 54)	D				8
(S)tandalone, (H)ost, (R)emote, (A)dv Fiber Comm	H				9
Remote Host PSCW Exchange ID					10
Remote Host PSCW Central Office ID	0				11
COE Generic Software Release No.	501.03				12
SS7?	Yes				13
9-1-1?	Yes				14
Access Lines - In Use	2,430				15
- Equipped	5,104				16
- Wired	5,104				17
Trunks - In Use	617				18
- Equipped	864				19
- Wired	1,056				20
ISDN Available?	No				21
ISDN Lines - In Use (BRI)	---CONF---				22
- In Use (PRI)	---CONF---				23
XDSL Available?	Yes				24
- In Use (# lines)	---CONF---				25
Switched 56 Service?	No				26
Switched 56 lines in use	---CONF---				27
Digital Transmission Facilities: DS-1 - In Use	---CONF---				28
DS-3 - In Use	---CONF---				29
Advanced Data Service Available:					
Packet Switching?	No				30
SMDS?	No				31
Frame Relay?	No				32
ATM (Asynchronous Trans. Mode)?	No				33
Video Information - Service Available?	No				34
- In Use (# lines) <sup>1</sup>	---CONF---				35
Fiber Transmission Facilities:					
No. of fiber strands entering C.O.	68				36
No. of fiber strands working (LIT) in C.O.	---CONF---				37
No. of fiber strands for interoffice use	52				38
Miles of fiber sheath in wire center	21				39
Access Tandem Serving this C.O.:					
- C.O. Name	GREEN BAY				40
- PSCW C.O. ID	2160-01				41
Does this C.O. do access tandem switching?	No				42
Footnotes					43

<sup>1</sup> Teleco provided end-to-end facility.

**GENERAL, SCHEDULE LEVEL AND SCHEDULE LINE FOOTNOTES**

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**General Footnote**

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**Schedule Footnotes****Telephone Calls and Minutes of Use Per Month Footnote. Page 47**

G) PAGE 47 - TELEPHONE CALLS AND MINUTES OF USE PER MONTH - INFORMATION SUPPLIED BY MANAGEMENT. MANAGEMENT FEELS THAT INFORMATION IS CORRECT AS REPORTED.

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**Schedule Line Footnotes**

- A) PAGE 22 & 24 - TO RECLASSIFY EQUIPMENT FROM DIGITAL ELETRONIC SWITCH TO DIGITAL ELECTRONIC SWITCH - SOFTWARE AND CIRCUIT EQUIPMENT AND THEIR RESPECTIVE DEPRECIATION RESERVES FOR PROPER CLASSIFICATION.
- B) PAGE 41 - ACCOUNT 6120 - INCREASE DUE TO HIGHER MAINTENANCE EXPENSES AND MAJOR ROOF REPAIRS AND ADDITIONAL LANDSCAPING PROJECTS DONE IN 2001.
- C) PAGE 41 - ACCOUNT 6210 - INCREASE DUE TO A SOFTWARE MAINTENANCE UPGRADE FOR THE SWITCH.
- D) PAGE 49 - SPECIAL ACCESS CIRCUITS - TELEPHONE COMPANY DOES NOT HAVE EITHER 64 KBPS NOR 45 MBPS CIRCUITS IN SERVICE AT THE END OF 2001.
- E) PAGE 46 - DISTRIBUTION OF SALARIES AND WAGES - REGULATED SALRIES AND WAGES REPORTED ON PAGE 46 ARE LESS THAN THE TOTAL NET REGULATED EXPENSE REPORTED ON PAGE 41.

**GENERAL, SCHEDULE LEVEL AND SCHEDULE LINE FOOTNOTES****F) Board of Directors**  
BAYLAND TELEPHONE, INC.  
Abrams, Wisconsin

The Balance Sheets of Bayland Telephone, Inc. as of December 31, 2001 and 2000 and the related statements of income and retained earnings for the years then ended included in the accompanying prescribed forms have been compiled by us. We have also compiled the financial and non-financial data included on pages 13 through 56 of the prescribed forms.

Our compilations were limited to presenting in the form prescribed by the Public Service Commission of Wisconsin information that is the representation of management. We have not audited or reviewed the financial statements or accompanying data referred to above and, accordingly, do not express an opinion or any other form of assurance on them.

These financial statements are presented in accordance with the requirements of the Public Service Commission of Wisconsin and do not include the statements of cash flows and all of the disclosures required by generally accepted accounting principles. Accordingly, these financial statements are not designed for those who are not informed about such matters.

SIEPERT & CO. LLP  
Certified Public Accountants

Beloit, Wisconsin

March 26, 2002

**G) PAGE 47 - TELEPHONE CALLS**